

SENATE BILL No. 123

DIGEST OF INTRODUCED BILL

Citations Affected: IC 32-30-16.

Synopsis: Homeowners association election disputes. Requires the parties to a dispute involving the election of a director or an officer of a homeowners association or condominium association to attempt to resolve the dispute through the use of mediation before bringing an action in a court. Provides that, if the parties cannot resolve the dispute and an action is brought in a court, the court: (1) may, on its own motion; and (2) shall, upon the motion of any party to the dispute; refer the case to any appropriate type of alternative dispute resolution selected by the court under the Indiana supreme court rules for alternative dispute resolution.

Effective: July 1, 2009.

Waltz

January 7, 2009, read first time and referred to Committee on Corrections, Criminal, and Civil Matters.

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Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

SENATE BILL No. 123

A BILL FOR AN ACT to amend the Indiana Code concerning property.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 32-30-16 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2009]:

4 **Chapter 16. Homeowners Association and Condominium**
5 **Association Election Disputes**

6 **Sec. 1. As used in this chapter, "association of condominium**
7 **co-owners" means all the persons who:**

8 (1) **own:**

9 (A) **a condominium unit in fee simple; and**

10 (B) **an undivided interest in the common areas and**
11 **facilities of a condominium; and**

12 (2) **act as an entity in accordance with the articles, bylaws, or**
13 **declaration of the association.**

14 **Sec. 2. As used in this chapter, "condominium unit" has the**
15 **meaning set forth in IC 32-25-2-9.**

16 **Sec. 3. As used in this chapter, "homeowners association"**
17 **means a corporation or other entity that:**



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(1) is organized and operated exclusively for the benefit of two
(2) or more persons who each own a dwelling in fee simple;
and

(2) acts, in accordance with the articles, bylaws, and other
documents governing the corporation or entity, to:

(A) acquire, transfer, manage, repair, maintain, or engage
in construction on or in the land and improvements on the
land related to the use of the dwellings owned by the
members of the corporation or entity;

(B) purchase insurance to cover a casualty or an activity
on or in the land and improvements on the land;

(C) engage in an activity incidental to an activity described
in clause (A) or (B); or

(D) engage in more than one (1) of the activities described
in clauses (A) through (C).

**Sec. 4. If a dispute arises concerning the election of a director or
an officer under the articles, bylaws, or declaration of:**

(1) a homeowners association organized under:

(A) IC 23-17;

(B) IC 23-7-1.1 (before its repeal August 1, 1991); or

(C) any other Indiana law; or

(2) an association of condominium co-owners organized
under:

(A) IC 23-17;

(B) IC 23-7-1.1 (before its repeal August 1, 1991);

(C) IC 32-25; or

(D) any other Indiana law;

the parties to the dispute must attempt to resolve the dispute
through the use of optional early mediation under Rule 8 of the
Indiana Supreme Court Rules for Alternative Dispute Resolution
before bringing an action in a court concerning the dispute.

**Sec. 5. If the parties to a dispute described in section 4 of this
chapter cannot resolve the dispute through the use of optional
early mediation under section 4 of this chapter and an action is
brought in a court concerning the dispute, the court:**

(1) may, on its own motion; and

(2) shall, upon the motion of any party to the dispute;

refer the case to any appropriate type of alternative dispute
resolution selected by the court under the Indiana Supreme Court
Rules for Alternative Dispute Resolution.

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